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E.O. 11652, Sec 3(E) and 5(D) or (E) NNDG# 760050

894.6372/1-145 -- 12-3147 - 48 - 49

DEPARTMENT OF STATE

THE SECRETARY

July 10, 1947

To: JK - Mr. Martin

From: S/S - Florence Kirlin  
*JK*

Will you please prepare a reply for Mr. Lovett's signature to the attached letter dated July 8, 1947 from Mr. Williams asking assistance in obtaining permission to send a party to investigate Japanese sulphur deposits?

**DIVISION OF JAPANESE AND KOREAN  
ECONOMIC AFFAIRS  
DEPARTMENT OF STATE**

JUL 14 1947

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# FREEPORT SULPHUR COMPANY

S/S

JUL 10 1947

122 EAST 42<sup>ND</sup> STREET

NEW YORK 17, N. Y.

LANGBOURNE M. WILLIAMS, JR.  
PRESIDENT

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ECONOMIC AFFAIRS BRANCH

July 8, 1947

DIVISION OF JAPANESE AND KOREAN  
ECONOMIC AFFAIRS  
DEPARTMENT OF STATE

JUL 14 1947

Hon. Robert A. Lovett  
Under Secretary of State  
Washington, D. C.

894.6372/7-847

Dear Bob:

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I am taking the liberty of writing you to ask your assistance in obtaining permission to send a party to investigate Japanese sulphur deposits with the object of undertaking the operation of them if conditions so warrant. I have recently seen an announcement of the Office of International Trade, dated June 13, 1947, which states that applications for permission to visit Japan for business purposes may now be filed.

Sulphur, as you probably know, is one of the basic industrial raw materials. It is used in the manufacture of fertilizer, steel, paints, paper, rayon, rubber and a wide variety of chemical products. It is used in the refining of oil and as an insecticide and fungicide as well as in explosives.

In recent years demands for sulphur all over the world have increased to such an extent that the Freeport Sulphur Company has been unable to supply all demands and is in need of additional production. We have accordingly embarked upon a program of seeking new deposits in the United States and in foreign countries. Among the latter Japan stands high with respect to the number, size and importance of its deposits. Before the war the average production from these deposits was 200,000 tons annually.

We are interested in developing some of the Japanese deposits to supply sulphur for Japanese needs and for the export market, a program that we believe would have many advantages. Through our trade outlets there would be a ready market for production; employment would be provided for a large number of Japanese; and considerable exports, bringing foreign exchange to Japan, would result. The development of these deposits by an American company would seem to me to be advantageous to both the United States and Japan.

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To initiate the suggested program Freeport Sulphur Company hereby applies for permission to send two mining engineers and probably one other representative to Japan as soon as possible to make detailed investigations

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Hon. Robert A. Lovett

- 2 -

July 8, 1947

of the deposits, tonnages involved, grade of ores, operating conditions and probable costs. If their report is favorable we would attempt to take the necessary steps to obtain operating rights to the properties of interest and to bring them into production.

I shall be very grateful if you will see that this application is put into proper channels.

With kindest personal regards,

Faithfully yours,

*Langbourne M. Williams, Jr.*  
Langbourne M. Williams, Jr.

LMW:mrw

1278

In reply refer to  
JK

My dear Mr. Williams:

Upon receipt of your letter of July 8, I asked the appropriate Division in the Department to inform me of action to be taken by you. I have decided to enclose a memorandum setting forth what seems the most desirable course of action. If you should decide to send a representative to Washington as suggested in the memorandum and will let me know in advance I shall be happy to arrange an appropriate meeting.

Sincerely yours,

Enclosure:

Memorandum.

Robert A. Lovett

Mr. Langbourne M. Williams, Jr.,  
Freeport Sulphur Company,  
122 East 42nd Street,  
New York 17, New York.

JK:DOBowman:bc  
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In reply refer to  
JK

JUL 28 1947

894.6372/7-847

Dear Lang:

Upon receipt of your letter of July 8, I asked the appropriate Division in the Department to inform me of action to be taken by you. I have decided to enclose a memorandum setting forth what seems the most desirable course of action. If you should decide to send a representative to Washington as suggested in the memorandum and will let me know in advance I shall be happy to arrange an appropriate meeting.

Sincerely yours,

*Robert F. Lovett*  
Under Secretary

Enclosure:  
Memorandum.

Mr. Langbourne M. Williams, Jr.,  
Freeport Sulphur Company,  
122 East 42nd Street,  
New York 17, New York.

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A true copy of the signed original

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BY  
JUL 25 1947

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STANDARD FORM NO. 64

# Office Memorandum • UNITED STATES GOVERNMENT

TO : U - Mr. Robert A. Lovett.

DATE: July 22, 1947

FROM : JK - Edwin M. Martin

SUBJECT: Reference Letter from Langbourne M. Williams, Jr.

We have conferred with the War Department regarding the inquiry from Mr. Williams of the Freeport Sulphur Company. The proposal set forth by Mr. Williams does not involve the entry of "traders" into Japan, as scheduled for August 15 and thereafter. Although applications for traders to enter Japan should be made to the Office of International Trade of the Department of Commerce, in our opinion it is unlikely that the Department of Commerce would grant the application.

However any steps that can be taken within our policy framework to expand Japan's production and export of an important commodity like sulphur deserves consideration. It is recommended that the company be invited to send a representative to Washington to discuss their ideas with the War and State Department officials responsible for such projects. On the basis of such a discussion, a decision could be made as to the desirability of securing from SCAP a special entry permit into Japan for their representative.

It may be observed that if they have in mind the purchase of sulphur properties in Japan, the State Department at present considers the economic situation in Japan to have such an unstable character as to require a temporary moratorium on foreign investment.

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